

# OREGON STATE BAR

## Board of Governors Agenda

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**Meeting Date:** June 21, 2019  
**From:** Amber Hollister, General Counsel  
**Re:** Appeal of CSF Claim No. 2018-65 DEVENY (Medley)

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### Action Requested

Consider an appeal of the Client Security Fund Committee's denial of Margaret Medley's claim of \$6,666.67 in the matter of CSF Claim No. 2018-65 Deveny (Medley).

### Discussion

Ms. Medley hired Lori Deveny in 2015 to recover damages for injuries sustained in an auto accident. She agreed to a contingent fee agreement, in which Ms. Deveny was to receive one-third of the settlement. Ms. Deveny settled the claim for \$20,000 and paid outstanding medical bills. She paid Claimant \$11,547.76 according to the settlement statement, and took \$6,666.67 in attorney fees. Deveny took \$6,666.67 for her attorney's fees.

Ms. Medley asserts that the work Deveny did was minimal, as Ms. Medley claims she had to make many phone calls regarding the claim. In her appeal she explains, "Deveny skated off with \$3000 that should have went to me. She claimed that she had to pay doctor bills and that's why I had received the shorter amount of the settlement."

The Committee's investigation did not uncover evidence of dishonesty in this particular instance. CSF Rule 2.1.2.

Ms. Deveny resigned Form B, effective July 26, 2018, while numerous disciplinary cases were pending. Numerous charges are currently pending against Ms. Deveny in both federal and state court, alleging theft, criminal mistreatment, wire fraud and tax evasion.

At its May 11, 2019 meeting, the Client Security Fund Committee reviewed Ms. Medley's claim and unanimously voted to recommend that the Board deny the claim as it did not find evidence of dishonesty, and payment of the claim would be prohibited by CSF Rule 2.2, which provides:

"Reimbursement of a legal fee will be allowed only if: (i) the lawyer provided not legal services to the client in the engagement; or (ii) the legal services that the lawyer actually provided were, in the Committee's judgment, minimal or insignificant; or (iii) the claim is supported by a determination of a court, a fee arbitration panel, or an accounting or other evidence acceptable to the Committee that establishes that the client is owed a refund of a legal fee. No award reimbursing a legal fee may exceed the actual fee that the client paid the lawyer."

Staff concurs with the Committee's recommendation for denial, and recommends that the board deny the appeal.